

and taxation of commercial transaction on the Internet, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HARKIN (for himself, Mr. CHAFEE, and Mr. GRAHAM):

S. 1889. A bill to reduce tobacco use by children and others through an increase in the cost of tobacco products, the imposition of advertising and marketing limitations, assuring appropriate tobacco industry oversight, expanding the availability of tobacco use cessation programs, and implementing a strong public health prevention and education strategy that involves the private sector, schools, States, and local communities; read the first time.

By Mr. DASCHLE (for himself, Mr. KENNEDY, Mrs. BOXER, Mr. DODD, Ms. MIKULSKI, Mrs. FEINSTEIN, Mr. DURBIN, Mr. REED, Mr. INOUE, Mr. TORRICELLI, Mr. KERRY, Ms. MOSELEY-BRAUN, Mr. WYDEN, Mr. LAUTENBERG, Mr. ROCKEFELLER, Mr. CLELAND, Mr. LEAHY, Mrs. MURRAY, Mr. WELLSTONE, Mr. SARBANES, Mr. AKAKA, and Mr. BINGAMAN):

S. 1890. A bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage; to the Committee on Labor and Human Resources.

By Mr. DASCHLE (for himself, Mr. KENNEDY, Mrs. BOXER, Mr. DODD, Ms. MIKULSKI, Mrs. FEINSTEIN, Mr. DURBIN, Mr. REED, Mr. INOUE, Mr. TORRICELLI, Mr. KERRY, Ms. MOSELEY-BRAUN, Mr. WYDEN, Mr. LAUTENBERG, Mr. ROCKEFELLER, Mr. CLELAND, Mr. LEAHY, Mrs. MURRAY, Mr. WELLSTONE, Mr. SARBANES, Mr. AKAKA, and Mr. BINGAMAN):

S. 1891. A bill to amend the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; to the Committee on Finance.

By Mr. KYL:

S. 1892. A bill to provide that a person closely related to a judge of a court exercising judicial power under article III of the United States Constitution (other than the Supreme Court) may not be appointed as a judge of the same court, and for other purposes; to the Committee on the Judiciary.

By Mr. DEWINE (for himself, Mr. HATCH, Mr. LEAHY, and Mr. SPECTER):

S. 1893. A Bill to establish a law enforcement block grant program; to the Committee on the Judiciary.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FRIST (for himself and Mr. THOMPSON):

S. Res. 203. A bill expressing the sense of the Senate that the University of Tennessee Lady Volunteers basketball team is the new dynasty in collegiate women's basketball; considered and agreed to.

By Mr. FORD (for himself and Mr. MCCONNELL):

S. Res. 204. A resolution to commend and congratulate the University of Kentucky on its men's basketball team winning its seventh National Collegiate Athletic Association championship; considered and agreed to.

By Mr. FAIRCLOTH (for himself, Mr. JEFFORDS, Mr. BOND, Mr. FRIST, Mr. CHAFEE, and Mr. INOUE):

S. Res. 205. A resolution expressing the sense of the Senate that the Nation should

recognize the contributions of public health and prevention services to this Nation and celebrate "National Public Health Week" during the week of April 6 through April 12, 1998; to the Committee on the Judiciary.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBERTS:

S. 1884. A bill to amend the Commodity Exchange Act to remove the prohibition on agricultural trade options outside contract markets; to the Committee on Agriculture, Nutrition, and Forestry.

##### THE TRADE OPTIONS FOR FARMERS AND RANCHERS ACT

Mr. ROBERTS. Mr. President, today I am pleased to introduce the Trade Options for Farmers and Ranchers Act (TOFRA). This legislation will provide farmers and ranchers across the United States with new, improved and affordable risk management products to help producers succeed in the 21st century.

This bill fulfills a promise we made to America's farmers and ranchers during the 1996 farm bill debate. The far-reaching, market-oriented reforms contained in the Freedom to Farm Act have provided substantial financial benefits to agriculture producers throughout the country. At the same time, this policy must be buttressed by proper risk management tools, regulatory relief, tax changes and a consistent, strong export policy. As a result, while leading the fight to get the federal government out of producers' daily lives and pocket-books, I promised to fight for better tools to help manage the tremendous financial risk that is inherent in life on the farm today.

The TOFRA would repeal the Commodity Futures Trading Commission's prohibition on the sale of over-the-counter agriculture trade options. The CFTC ban dates to the Great Depression. It was put in place during a time when financial and commodity markets were viewed with both suspicion and fear. Today, we live in a time of mutual funds, computerized financial transactions and round-the-clock, global commodity trading. While we should never forget the important lessons of the Great Depression, we must not let the troubling memories of the past hold back our nation's farmers and ranchers when there is so much promise in the future.

The CFTC's agriculture option ban created a monopoly. Today, if a farmer or rancher wants to hedge his price risk with an agriculture option, he must purchase the option from a commodity exchange. Over the years, the exchanges have performed a valuable service to farmers and ranchers by giving them the opportunity to manage their price risk in a regulated environment. Despite their best efforts, organized exchanges—primarily as a result of excessive regulation—have not been able to keep up with the tremendous demand in Farm Country for newer, better alternatives to existing risk management tools.

I will continue to support legislative efforts to allow all interested parties—commodities exchanges included—to sell a wider variety of financial products. In fact, I continue to be frustrated with the CFTC's unwillingness to provide organized exchanges with the same basic business opportunities available to over-the-counter brokers. This bias is unfortunate and counter-productive to both buyers and sellers of commodities.

At the same time, overly restrictive regulations are preventing America's farmers and ranchers from receiving the new, innovative products they need. The CFTC ban on over-the-counter agriculture options has been maintained in order to "save farmers from themselves." The argument here is that farmers, grain elevators and others in rural America don't understand how options work. Therefore, the federal government has seen fit to limit severely the development of, and competition in, financial instruments that would provide substantial benefits to producers who understand commodity marketing in order to protect the few remaining producers who have no interest in managing price risk. Basically, current federal policy in this area is targeted towards the 1930s instead of the 2030s.

Agriculture options are complex, expensive financial instruments. In order to use them properly, producers must have specialized knowledge of commodity marketing and the risks associated with participating in them. As a result, many producers may choose not to use the additional financial products made possible through this legislation. However, agriculture options should be readily available to those producers with the skill, knowledge and desire to use them.

It is important that agriculture options—whether sold on an organized commodity exchange or through an over-the-counter broker—be sufficiently regulated. This legislation will simply make agriculture options just like all other options. If you purchase an option on wheat, natural gas or common stock, the bookkeeping, registration and disclosure requirements should be the same. Similarly, strong protections against fraud and manipulation are included to help prevent and punish fly-by-night operations and bucket-shops. In short, this bill establishes a simple formula: provide business opportunity with limited, but vigorously enforced rules. With proper oversight, this bill will be good for producers, brokers, businesses and consumers alike.

I do want to thank the CFTC for recently submitting a proposed rule that would begin to lift its long-held ban on over-the-counter agriculture trade options. They have taken the initial step toward removing the ban on off-exchange agriculture options trading. Unfortunately, the CFTC's proposal is so limited, so burdened with red-tape and reporting requirements, that significant benefit is doubtful. No new